

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

U.S. COMMODITY FUTURES TRADING)
COMMISSION et al.,)
Plaintiffs,)
vs.) Case No.: 05-cv-02641-JSW
NATIONAL INVESTMENT) Judge: The Hon. Jeffrey S. White
CONSULTANTS, INC., et al.,)
Defendants,)
and)
THERESA C. WONG, an individual,)
Relief Defendant.)

)

(Proposed)

**CONSENT ORDER OF PERMANENT INJUNCTION AND
OTHER EQUITABLE RELIEF AGAINST DEFENDANTS PACIFIC BEST
GROUP LTD, NATIONAL INVESTMENT CONSULTANTS, INC, WEI MAN TSE,
RUN PING ZHOU, YI KERRY XU AND RELIEF DEFENDANT THERESA WONG**

**ATTACHMENT A
(NOT FOR ENTRY)**

1 Edward Gartenberg (CA Bar No. 102693)
2 Alexandra Epand (CA Bar No. 191733)
3 THELEN REID & PRIEST LLP
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Los Angeles, California 90071-3048
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6

7 Attorneys for Defendants
NATIONAL INVESTMENT CONSULTANTS, INC., and
8 WEI M. TSE a.k.a. RAYMOND TSE, and for Relief
Defendant THERESA C. WONG,
9

10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DIVISION OF CALIFORNIA**
12 **SAN FRANCISCO DIVISION**

13 U.S. COMMODITY FUTURES TRADING
14 COMMISSION and THE COMMISSIONER OF
CORPORATIONS OF THE STATE OF
CALIFORNIA,

15 Plaintiffs,

16 vs.

17 NATIONAL INVESTMENT CONSULTANTS,
18 INC, a California corporation, PACIFIC BEST
GROUP LTD, a.k.a. PACIFIC BEST
19 COMPANY LTD, a British Virgin Islands
Corporation, YI KERRY XU, an individual,
20 RUN PING ZHOU a.k.a. FLORA ZHOU, an
individual, and WEI M. TSE a.k.a. RAYMOND
TSE, an individual,

21 Defendants,

22 and

23 THERESA C. WONG, an individual,

24 Relief Defendant.
25

CASE NO.: 052641 JSW

26 **STIPULATION FOR
JUDGMENT**

Judge: Hon. Jeffrey S. White

1 The parties to this action, by the signatures of their counsel of record to this Stipulation, do
 2 stipulate and agree as follows:

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I.

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RECITALS

6 1. The Plaintiffs the Commodity Futures Trading Commission and the State of
 7 California have filed a Complaint against Defendants Pacific Best Company Ltd, National
 8 Investment Consultants, Inc, Raymond Tse, Flora Zhou, Yi Kerry Xu and Relief Defendant
 9 Theresa Wong alleging violations of the Commodity Exchange Act, as amended (the "Act"), 7
 10 U.S.C. §§ 13a-1 (2002) *et seq.* and California state law.

11 2. The parties desire to resolve this litigation. The parties have entered into a
 12 settlement which has been memorialized by a Consent Order of Permanent Injunction and Other
 13 Equitable Relief (the "Consent Order"). Pursuant to the Consent Order, a Stipulation for
 14 Judgment (the "Stipulated Judgment"), is provided as security in the event that certain payments
 15 are not otherwise made pursuant to the Consent Order. This document shall constitute that
 16 Stipulated Judgment.

17 3. All of the terms of the Consent Order are reaffirmed and incorporated herein by
 18 reference. Pursuant to this Stipulated Judgment, in the event that payments are not fully made
 19 pursuant to the Consent Order and subject to the provisions for notice in Section III, paragraph
 20 D(13) of the Consent Order, judgment may be entered only against the Defendants (but not
 21 against Relief Defendant Theresa Wong) whose liability for restitution and/or penalties have not
 22 otherwise been paid in this action at their respective "capped amount" as provided in section III,
 23 paragraph B(6) for restitution and section III, paragraphs C(7) and (8) for penalties of the
 24 Consent Order. The amount of this judgment shall be Three Million Two Hundred Thousand
 25 Dollars (\$3,200,000) less all amounts otherwise paid pursuant to the Consent Order.

26 4. The parties agree that Plaintiffs' counsel may complete this Stipulated Judgment
 27 by entering the names of the applicable Defendants and the applicable amount (not to exceed
 28 \$3,200,000) consistent with the provisions of paragraph 3 above and the Consent Order.

1 5. This Stipulated Judgment may not be filed or entered until, when and if, the
2 payments provided for in the Consent Order, after notice and an opportunity to cure as set forth
3 in that Order, have not been made.

4 6. The parties admit that this Court has jurisdiction of this action for purposes of
5 entering the Stipulated Judgment and that, by agreeing to a judgment in this matter, they
6 voluntarily consent to this Court exercising that jurisdiction over their persons for purposes of
7 enforcing this judgment.

II.

TERMS OF PROPOSED JUDGMENT

12 ||| 1. Plaintiffs shall have Judgment against Defendants

13 _____ (the “Judgment
14 Defendants”) in the sum of \$ _____ on the claims raised in the Complaint on
15 file in this action.

16 2. Each party is to bear his, her, or its own costs and attorney's fees in this matter,
17 and no Court award will be made for costs or attorney's fees.

18 3. The Judgment Defendants will pay the sums specified in this judgment to the
19 Plaintiffs in this matter, in cash or cash equivalent within thirty (30) days of receiving notice of
20 the entry of this judgment. Notice shall be provided pursuant to Section IV Paragraph 4 of the
21 Consent Order. If payment is not made as specified, the plaintiff may execute on this judgment
22 by any means or remedy available at law for collections of or execution on judgments. Interest
23 shall be paid at the post-judgment interest rate set forth in 28 U.S.C. § 1961 on any unpaid
24 amounts due and owing pursuant to this judgment beginning 30 days after notice of entry of this
25 judgment and interest shall accrue until this judgment is paid in full. All payments made pursuant
26 to this judgment shall be applied as provided in the Consent Order.

IT IS SO STIPULATED

1 Dated: 7-14, 2006

THELEN REID & PRIEST LLP

2 By Edward Gartenberg

3 EDWARD GARTENBERG

4 Attorneys for Defendants

5 PACIFIC BEST GROUP LTD, a.k.a. PACIFIC BEST

6 COMPANY LTD, NATIONAL INVESTMENT

7 CONSULTANTS, INC.; WEI M. TSE a.k.a.

8 RAYMOND TSE, and for Relief Defendant THERESA

9 C. WONG

10 Dated: 8/31/06, 2006

U.S. COMMODITY FUTURES TRADING COMMISSION

11 By Kevin K. Batteh

12 KEVIN K. BATTEH

13 Attorneys for Plaintiff

14 U.S. COMMODITY FUTURES TRADING

15 COMMISSION

16 Dated: _____, 2006

17 COMMISSIONER OF CORPORATIONS OF THE STATE
18 OF CALIFORNIA

19 By _____

20 EDWARD KELLY SHINNICK

21 Attorneys for Plaintiff

22 COMMISSIONER OF CORPORATIONS OF THE

23 STATE OF CALIFORNIA

1 Dated: _____, 2006

THELEN REID & PRIEST LLP

2 By _____

EDWARD GARTENBERG

3 Attorneys for Defendants

4 PACIFIC BEST GROUP LTD, a.k.a. PACIFIC BEST

5 COMPANY LTD, NATIONAL INVESTMENT

6 CONSULTANTS, INC.; WEI M. TSE a.k.a.

7 RAYMOND TSE, and for Relief Defendant THERESA

8 C. WONG

9 Dated: _____, 2006

U.S. COMMODITY FUTURES TRADING COMMISSION

10 By _____

11 KEVIN K. BATTEH

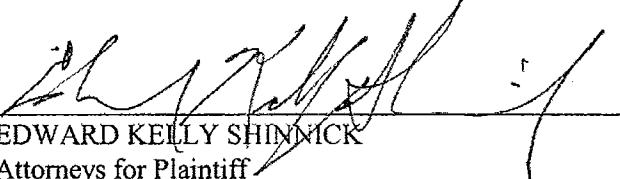
12 Attorneys for Plaintiff

13 U.S. COMMODITY FUTURES TRADING

14 COMMISSION

15 Dated: 8/31, 2006

16 COMMISSIONER OF CORPORATIONS OF THE STATE
17 OF CALIFORNIA

18 By 

19 EDWARD KELLY SHINNICK

20 Attorneys for Plaintiff

21 COMMISSIONER OF CORPORATIONS OF THE

22 STATE OF CALIFORNIA

1 Dated: _____, 2006 COTTON & GUNDZIK, LLP

2
3 By _____
4 JOHN W. COTTON
5 Attorneys for Defendant
6 YI KERRY XU
7

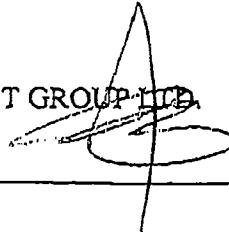
8 Dated: _____, 2006 LAW OFFICES OF FRED S. KONIGSBERG
9

10 By _____
11 FRED S. KONIGSBERG
12 Attorneys for Defendants
13 RUN PING ZHOU aka FLORA ZHOU and
14 SOUTH CHINA INVESTMENTS, INC.
15

16 Consented to and approved for entry by:

17 DEFENDANTS:

18 PACIFIC BEST GROUP LTD.

19 By: _____ 

6-20-06
Date

20 NATIONAL INVESTMENT CONSULTANTS, INC.

21 By: 

6-20-06
Date

22 RAYMOND TSE / WEI MAN TSE

6-20-06
Date

23
24 RUN PING ZHOU / FLORA GIORGI _____
25 Date

26 YI KERRY XU _____
27 Date

1 Dated: _____, 2006

COTTON & GUNDZIK, LLP

2

3 By _____

JOHN W. COTTON
Attorneys for Defendant
YI KERRY XU

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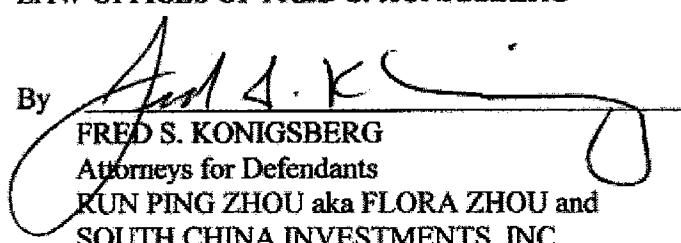
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Dated: July 18, 2006

LAW OFFICES OF FRED S. KONIGSBERG

By _____

FRED S. KONIGSBERG
Attorneys for Defendants
RUN PING ZHOU aka FLORA ZHOU and
SOUTH CHINA INVESTMENTS, INC.



Consented to and approved for entry by:

DEFENDANTS:

PACIFIC BEST GROUP LTD.

By: _____

Date

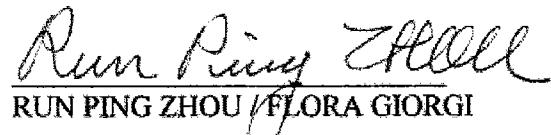
NATIONAL INVESTMENT CONSULTANTS, INC

By: _____

Date

RAYMOND TSE / WEI MAN TSE

Date


RUN PING ZHOU / FLORA GIORGI

July 17, 2006
Date

YI KERRY XU

Date

1 Dated: July 20, 2006

COTTON & GUNDZIK, LLP

2 By John W. CottonJOHN W. COTTON
Attorneys for Defendant
YI KERRY XU

6 Dated: _____, 2006

LAW OFFICES OF FRED S. KONIGSBERG

8 By _____

FRED S. KONIGSBERG
Attorneys for Defendants
RUN PING ZHOU aka FLORA ZHOU and
SOUTH CHINA INVESTMENTS, INC.

12 Consented to and approved for entry by:

13 DEFENDANTS:

14 PACIFIC BEST GROUP LTD.

15 By: _____

Date

18 NATIONAL INVESTMENT CONSULTANTS, INC

19 By: _____

Date

22 RAYMOND TSE / WEI MAN TSE

Date

24 RUN PING ZHOU / FLORA GIORGI

Date

26 YI KERRY XU

Date

July 20, 06

1
2 RELIEF DEFENDANT:

3 Teresa Wong
4 THERESA WONG

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6/20/06
Date

ORDER ON STIPULATION

The Court has reviewed and accepted this Stipulation. Therefore,

IT IS ORDERED that the Clerk of this Court enter Judgment in this matter, according to the provisions of Rule 58 of the Federal Rules of Civil Procedure and in accordance with the terms of this Stipulation. Judgment shall be so entered forthwith.

Dated: _____

HONORABLE JEFFREY S. WHITE
JUDGE OF THE UNITED STATES
DISTRICT COURT